

CITY OF CIMARRON, KANSAS

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED DECEMBER 31, 2018**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report.....	1
<u>FINANCIAL SECTION</u>	
Statement 1 Summary Statement of Receipts, Expenditures and Unencumbered Cash	4
Notes to the Financial Statement	6
<u>REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION</u>	
Schedule 1 Summary of Expenditures – Actual and Budget.....	14
Schedule 2 Schedule of Receipts and Expenditures	
2-1 General Fund.....	15
<u>Special Purpose Funds</u>	
2-2 Library Fund.....	18
2-3 Special Park and Recreation	19
2-4 Special Highway Fund	20
2-5 Transient Guest Tax Fund	21
2-6 PBC Sales Tax Fund	22
2-7 Non-Budgeted Special Purpose Funds.....	23
<u>Bond and Interest Fund</u>	
2-8 Bond and Interest Fund	24
<u>Trust Fund</u>	
2-9 Pearl Luther Endowment Fund	25
<u>Business Funds</u>	
2-10 Light Enterprise Fund.....	26
2-11 Water Enterprise Fund.....	27
2-12 Trash Enterprise Fund	28
2-13 Sewer Enterprise Fund	29
2-14 Sewer Plant Replacement Fund	30
<u>Related Municipal Entity</u>	
2-15 Cimarron City Library.....	31

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
Cimarron, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of the City of Cimarron, Kansas and its related municipal entity, the Cimarron City Library (collectively referred to as the Municipal Financial Reporting Entity), as of and for the year ended December 31, 2018, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note A, the financial statement is prepared by the Municipal Financial Reporting Entity on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Municipal Financial Reporting Entity as of December 31, 2018, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the Municipal Financial Reporting Entity as of December 31, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget and individual fund schedules of regulatory basis receipts and expenditures (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Municipal Financial Reporting Entity as of and for the year ended December 31, 2017 (not presented herein), and have issued our report thereon dated September 24, 2018, which contained an unmodified opinion on the basic financial statement. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link: <https://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for year ended December 31, 2018 (Schedule 2 as listed in the table of contents), is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2017, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

September 18, 2019

CITY OF CIMARRON, KANSAS

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended December 31, 2018

<u>Fund</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
General fund:			
General	<u>\$ 694,081</u>	<u>\$ -</u>	<u>\$ 1,163,232</u>
Special purpose funds:			
Library	14,743	-	163,058
Special park and recreation	-	-	1,344
Special highway	120,647	-	60,791
Transient guest tax	32,710	-	7,035
PBC sales tax	270,506	-	302,910
Special park donation	9,217	-	-
Recreation committee	25,297	-	142
Community foundation	-	-	750
Equipment reserve	475,719	-	207,056
Capital improvement	487,081	-	319,928
Total special purpose funds	<u>1,435,920</u>	<u>-</u>	<u>1,063,014</u>
Bond and interest fund:			
Bond and interest	<u>135,592</u>	<u>-</u>	<u>358,713</u>
Trust fund:			
Pearl Luther endowment	<u>21,343</u>	<u>-</u>	<u>233</u>
Business funds:			
Light enterprise	609,001	-	1,593,397
Water enterprise	534,286	-	482,747
Trash enterprise	170,834	-	314,826
Sewer enterprise	272,657	-	235,904
Sewer plant replacement	74,531	-	63,600
Total business funds	<u>1,661,309</u>	<u>-</u>	<u>2,690,474</u>
Total City of Cimarron	<u>3,948,245</u>	<u>-</u>	<u>5,275,666</u>
Related municipal entity:			
Cimarron City Library:			
General	113,081	-	240,898
Special purpose fund:			
State aid	<u>2</u>	<u>-</u>	<u>1,131</u>
Total Cimarron City Library	<u>113,083</u>	<u>-</u>	<u>242,029</u>
Total municipal financial reporting entity	<u>\$ 4,061,328</u>	<u>\$ -</u>	<u>\$ 5,517,695</u>

<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
<u>\$ 1,197,348</u>	<u>\$ 659,965</u>	<u>\$ 26,367</u>	<u>\$ 686,332</u>
167,066	10,735	-	10,735
-	1,344	-	1,344
96,655	84,783	-	84,783
-	39,745	-	39,745
223,065	350,351	-	350,351
3,990	5,227	-	5,227
-	25,439	-	25,439
610	140	500	640
147,451	535,324	-	535,324
303,500	503,509	42,893	546,402
<u>942,337</u>	<u>1,556,597</u>	<u>43,393</u>	<u>1,599,990</u>
<u>347,753</u>	<u>146,552</u>	<u>-</u>	<u>146,552</u>
<u>-</u>	<u>21,576</u>	<u>-</u>	<u>21,576</u>
1,570,723	631,675	81,734	713,409
463,246	553,787	2,354	556,141
265,050	220,610	18,187	238,797
205,525	303,036	6,696	309,732
-	138,131	-	138,131
<u>2,504,544</u>	<u>1,847,239</u>	<u>108,971</u>	<u>1,956,210</u>
<u>4,991,982</u>	<u>4,231,929</u>	<u>178,731</u>	<u>4,410,660</u>
229,754	124,225	-	124,225
635	498	-	498
<u>230,389</u>	<u>124,723</u>	<u>-</u>	<u>124,723</u>
<u>\$ 5,222,371</u>	<u>\$ 4,356,652</u>	<u>\$ 178,731</u>	<u>\$ 4,535,383</u>

CITY OF CIMARRON, KANSAS

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended December 31, 2018

Composition of cash:

Petty cash	\$	80
Clerk's petty cash checking		4,991
Operating checking		346,454
Money market checking		284,135
Certificates of deposit		<u>3,775,000</u>
Total City of Cimarron		4,410,660
Related municipal entity		<u>124,723</u>
Total municipal financial reporting entity	\$	<u><u>4,535,383</u></u>

The notes to the financial statement are an integral part of this statement.

CITY OF CIMARRON, KANSAS

NOTES TO THE FINANCIAL STATEMENT

December 31, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the City's financial statement. The financial statement, schedules, and notes are representations of the City's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

The City of Cimarron is a municipal corporation governed by an elected mayor and five-member council. This regulatory financial statement presents the City of Cimarron (the Municipality) and its related municipal entities. The related municipal entities are included in the City's reporting entity because they were established to benefit the City and/or its constituents.

Public Building Commission. The Commission was authorized by City Ordinance, pursuant to K.S.A. 12-1757 et. seq., and all amendments thereto, and as amended, supplemented and limited by a City of Cimarron, Kansas Charter Ordinance establishing the composition thereof, and purposes for which established. For financial reporting, the financial activities of the Public Building Commission are accounted for within a budgeted special purpose fund.

Cimarron City Library. The Library provides library services to the community. The Library operates as a separate governing body, but the City levies taxes for the Library and pays most employees' salaries. The City Council approves appointments to the Library Board.

2. Basis of Presentation – Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the City for the year ended December 31, 2018:

REGULATORY BASIS FUND TYPES

General fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Basis of Presentation – Fund Accounting (Continued)

REGULATORY BASIS FUND TYPES (CONTINUED)

Bond and Interest fund – used to account for the accumulation of resources (including tax levies and transfers from other funds) and payment of general long-term debt.

Trust fund – used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Business fund – funds financed in whole or in part by fees charged to users for goods or services (i.e. enterprise and internal service funds, etc.).

3. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

4. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held, and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which receipts are recognized when cash is received, and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for trust funds and the following special purpose and business funds:

- Special Park Donation
- Recreation Committee
- Community Foundation
- Equipment Reserve
- Capital Improvement
- Sewer Plant Replacement

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

5. Special Assessments

Projects financed in part by special assessments are financed through issuance of general obligation bonds of the City and are retired from the Bond and Interest Fund. Special assessments paid prior to the issuance of bonds are recorded as receipts in the appropriate project. Special assessments received after the issuance of bonds are recorded as receipts in the Bond and Interest Fund.

B. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds to have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Custodial credit risk - deposits. Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2018.

At December 31, 2018, the City's carrying amount of deposits was \$4,410,580 and the bank balance was \$4,570,058. Of the bank balance, \$250,000 was covered by federal depository insurance and \$4,320,058 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

C. LONG-TERM DEBT

Changes in long-term liabilities for the municipal financial reporting entity for the year ended December 31, 2018, were as follows:

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ payments</u>	<u>Balance end of year</u>	<u>Interest paid</u>
General obligation bonds:					
Public service improvements issued November 26, 2007 in the amount of \$366,709 at interest rates of 4.80% to 5.75% maturing September 1, 2023	\$ 195,000	\$ -	\$ 30,000	\$ 165,000	\$ 11,213
Refunding issued October 13, 2016 in the amount of \$1,315,000 at interest rates of 0.90% to 3.00% maturing September 1, 2031	1,065,000	-	250,000	815,000	17,900
Sewer improvements issued September 26, 2013 in the amount of \$525,000 at interest rates of 0.90% to 4.40% maturing September 1, 2034	<u>495,000</u>	<u>-</u>	<u>20,000</u>	<u>475,000</u>	<u>18,640</u>
Total general obligation bonds	1,755,000	-	300,000	1,455,000	47,753

C. LONG-TERM DEBT (CONTINUED)

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ payments</u>	<u>Balance end of year</u>	<u>Interest paid</u>
Revenue bonds:					
Public Building Commission refunding revenue bonds issued November 14, 2016 in the amount of \$1,955,000 at interest rates of 1.20% to 2.80% maturing December 1, 2026	\$1,775,000	\$ -	\$ 185,000	\$1,590,000	\$ 38,065
Loans:					
KDOT – Highway improvement issued March 1, 2010 in the amount of \$184,940 at interest rate of 3.68% maturing August 1, 2029	125,265	-	8,526	116,739	6,758
Capital Lease:					
FNB – Street sweeper Issued July 25, 2017 In the amount of \$157,035 At interest rate of 3.50% Maturing July 15, 2022	<u>144,857</u>	<u>-</u>	<u>29,632</u>	<u>115,225</u>	<u>4,661</u>
Total long-term debt	<u>\$3,800,122</u>	<u>\$ -</u>	<u>\$ 523,158</u>	<u>\$3,276,964</u>	<u>\$ 97,237</u>

Current maturities of general obligation bonds and interest for the next five years and in five-year increments through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2019	\$ 200,000	\$ 42,898	\$ 242,898
2020	200,000	38,933	238,933
2021	100,000	34,758	134,758
2022	105,000	31,445	136,445
2023	110,000	27,983	137,983
2024-2028	385,000	100,325	485,325
2029-2033	320,000	39,210	359,210
2034	<u>35,000</u>	<u>1,540</u>	<u>36,540</u>
Total	<u>\$ 1,455,000</u>	<u>\$ 317,092</u>	<u>\$ 1,772,092</u>

Current maturities of revenue bonds and interest for the next five years and through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2019	\$ 185,000	\$ 35,475	\$ 220,475
2020	190,000	32,515	222,515
2021	190,000	29,095	219,095
2022	195,000	25,295	220,295
2023	200,000	21,103	221,103
2024-2026	<u>630,000</u>	<u>34,003</u>	<u>664,003</u>
Total	<u>\$ 1,590,000</u>	<u>\$ 177,486</u>	<u>\$ 1,767,486</u>

C. LONG-TERM DEBT (CONTINUED)

Current maturities of utility loans and interest for the next five years and in five-year increments through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2019	\$ 8,790	\$ 4,302	\$ 13,092
2020	9,139	3,977	13,116
2021	9,475	3,641	13,116
2022	9,824	3,292	13,116
2023	10,186	2,931	13,117
2024-2028	56,834	8,748	65,582
2029	<u>12,491</u>	<u>464</u>	<u>12,955</u>
Total	<u>\$ 116,739</u>	<u>\$ 27,355</u>	<u>\$ 144,094</u>

Current maturities of capital leases and interest through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2019	\$ 30,700	\$ 3,592	\$ 34,292
2020	31,800	2,493	34,293
2021	32,955	1,338	34,293
2022	<u>19,770</u>	<u>234</u>	<u>20,004</u>
Total	<u>\$ 115,225</u>	<u>\$ 7,657</u>	<u>\$ 122,882</u>

D. INTERFUND TRANSACTIONS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory authority</u>
General	Capital improvement	\$ 175,000	K.S.A. 12-1,118
Light enterprise	Equipment reserve	175,000	K.S.A. 12-825d
Water enterprise	Equipment reserve	25,000	K.S.A. 12-825d
Water enterprise	Capital improvement	125,000	K.S.A. 12-825d
Water enterprise	Bond and interest	107,128	K.S.A. 12-825d
Sewer enterprise	Sewer plant replacement	<u>63,600</u>	K.S.A. 12-825d
		<u>\$ 670,728</u>	

Transfers to the related municipal entity were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>
Library	Cimarron City Library	\$ 167,000
General	Cimarron City Library	<u>5,650</u>
		<u>\$ 172,650</u>

E. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post Employment Benefits. As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City under this program.

Death and Disability Other Post Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2018.

Section 125 Plan. The City offers a Section 125 flexible benefit plan to all eligible employees. It is used for medical insurance premiums, unreimbursed medical expenses, and child care expenses. The plan is administered by the health insurance provider. The City withholds the amounts from the employee's paychecks and remits the withholding to the plan administrator.

Compensated Absences. Full-time employees accumulate sick leave at the rate of one day per month beginning at the end of the first month of employment. Sick leave that is unused at year-end may be carried over to the next year up to a limit of sixty days. Full-time employees who have worked at least one year receive two weeks of vacation, and those who have worked five years or more receive three weeks. After 15 years of service, employees receive four weeks of vacation. Employees are allowed to carry over five days of unused vacation to the following year.

F. DEFINED BENEFIT PENSION PLAN

General Information About the Pension Plan

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by the City and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

F. DEFINED BENEFIT PENSION PLAN (CONTINUED)

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.39% for KPERS for the fiscal year ended December 31, 2018. Contributions to the pension plan from the City were \$57,562 for the year ended December 31, 2018.

Net Pension Liability

At December 31, 2018, the City's proportionate share of the collective net pension liability reported by KPERS was \$491,896. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the website at www.kpers.org or can be obtained as described above.

G. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance to cover these risks. There have been no significant reductions in coverage from the prior year. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

H. SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 18, 2019, the date on which the financial statement was available to be used. Management's evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in this financial statement.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF CIMARRON, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

<u>Fund</u>	<u>Certified budget</u>	<u>Adjustment for qualifying budget credits</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General fund	\$ 1,477,095	\$ -	\$ 1,477,095	\$ 1,197,348	\$ 279,747
Special purpose funds:					
Library	172,650	-	172,650	167,066	5,584
Special park and recreation	-	-	-	-	-
Special highway	176,117	-	176,117	96,655	79,462
Transient guest tax	43,000	-	43,000	-	43,000
PBC sales tax	539,065	-	539,065	223,065	316,000
Bond and interest fund:					
Bond and interest	417,753	-	417,753	347,753	70,000
Business funds:					
Light enterprise	2,300,000	-	2,300,000	1,570,723	729,277
Water enterprise	687,128	-	687,128	463,246	223,882
Trash enterprise	430,000	-	430,000	265,050	164,950
Sewer enterprise	398,640	-	398,640	205,525	193,115
Total	<u>\$ 6,641,448</u>	<u>\$ -</u>	<u>\$ 6,641,448</u>	<u>\$ 4,536,431</u>	<u>\$ 2,105,017</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 578,270	\$ 585,246	\$ 581,844	\$ 3,402
Delinquent tax	13,206	4,303	3,000	1,303
Vehicle tax	119,184	122,064	133,868	(11,804)
Shared receipts:				
Local alcohol liquor fund	-	1,344	-	1,344
Local sales tax	204,173	216,530	175,000	41,530
State of Kansas - connecting link	23,474	23,490	15,000	8,490
Licenses, permits and fees:				
Franchise fees	48,747	48,976	35,000	13,976
Other licenses, permits and fees	4,787	9,800	2,000	7,800
Fines, forfeitures and penalties:				
Fines - police	69,226	73,767	75,000	(1,233)
Other fines, forfeitures and penalties	1,722	140	-	140
Charges for services:				
Swimming pool	45,079	47,421	35,000	12,421
Interest on idle funds	5,374	12,597	450	12,147
Other:				
Rent	4,381	2,388	2,000	388
Recreation sponsor fees	4,500	3,850	3,000	850
Miscellaneous	46,802	35,061	10,000	25,061
Transfer from sewer enterprise fund	-	-	20,000	(20,000)
Neighborhood revitalization rebate	(23,336)	(23,745)	(26,463)	2,718
Total receipts	1,145,589	1,163,232	\$ 1,064,699	\$ 98,533
Expenditures:				
General government:				
General administration:				
Personal services	38,397	41,828	\$ 62,000	\$ 20,172
Contractual services	88,655	96,904	75,000	(21,904)
Commodities	34,728	40,548	65,000	24,452
Capital outlay	110	-	-	-
Subtotal	161,890	179,280	202,000	22,720
Employee benefits:				
Health and life insurance	14,053	22,502	47,000	24,498
Payroll taxes and benefits	41,037	40,110	50,800	10,690
Subtotal	55,090	62,612	97,800	35,188
Total general government	216,980	241,892	299,800	57,908

CITY OF CIMARRON, KANSAS

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Public safety:				
Police department:				
Personal services	\$ 3,600	\$ 4,800	\$ 4,000	\$ (800)
Contractual services	181,238	186,431	210,000	23,569
Commodities	26	-	-	-
Subtotal	184,864	191,231	214,000	22,769
Fire department:				
Personal services	2,785	3,653	7,000	3,347
Contractual services	1,391	1,811	500	(1,311)
Commodities	852	260	2,000	1,740
Capital outlay	4,136	-	500	500
Reimbursed expenditures	(9,131)	(8,550)	-	8,550
Subtotal	33	(2,826)	10,000	12,826
Total public safety	184,897	188,405	224,000	35,595
Public works:				
Street and alley:				
Contractual services	85,437	138,351	125,000	(13,351)
Commodities	123,392	35,652	75,000	39,348
Capital outlay	14,789	34,361	20,000	(14,361)
Subtotal	223,618	208,364	220,000	11,636
Airport:				
Contractual services	4,826	5,000	28,000	23,000
Commodities	261	999	1,000	1
Capital outlay	-	-	1,000	1,000
Subtotal	5,087	5,999	30,000	24,001
Total public works	228,705	214,363	250,000	35,637
Culture and recreation:				
Park department:				
Personal services	44,603	45,235	49,000	3,765
Contractual services	8,649	2,282	15,000	12,718
Commodities	8,912	5,827	13,000	7,173
Capital outlay	629	-	3,000	3,000
Subtotal	62,793	53,344	80,000	26,656

CITY OF CIMARRON, KANSAS

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Culture and recreation (continued):				
Recreation department:				
Personal services	\$ 1,484	\$ 1,328	\$ 20,000	\$ 18,672
Contractual services	5,824	5,716	7,500	1,784
Commodities	17,060	24,047	15,000	(9,047)
Capital outlay	2,173	510	7,500	6,990
Appropriation to recreation	5,000	5,000	5,000	-
Subtotal	31,541	36,601	55,000	18,399
Golf course:				
Appropriation to Cimarron Golf Club	167,000	167,000	167,000	-
Swimming pool:				
Personal services	35,899	49,560	50,000	440
Contractual services	694	4,247	10,000	5,753
Commodities	18,687	22,852	25,000	2,148
Capital outlay	2,318	-	-	-
Subtotal	57,598	76,659	85,000	8,341
Economic development:				
Personal services	19,037	32,988	50,000	17,012
Contractual services	4,551	5,206	5,000	(206)
Commodities	691	240	5,000	4,760
Capital outlay	-	-	5,000	5,000
Subtotal	24,279	38,434	65,000	26,566
Total culture and recreation	343,211	372,038	452,000	79,962
Transfers:				
Capital improvement	175,000	175,000	125,000	(50,000)
Equipment reserve	-	-	120,000	120,000
Total transfers	175,000	175,000	245,000	70,000
Transfer to related municipal entity:				
Cimarron City Library	5,417	5,650	6,295	645
Total expenditures	1,154,210	1,197,348	\$ 1,477,095	\$ 279,747
Receipts over (under) expenditures	(8,621)	(34,116)		
Unencumbered cash, beginning of year	702,702	694,081	\$ 412,396	\$ 281,685
Unencumbered cash, end of year	\$ 694,081	\$ 659,965		

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 134,262	\$ 139,258	\$ 138,445	\$ 813
Delinquent tax	3,129	1,015	-	1,015
Vehicle tax	28,374	28,435	31,074	(2,639)
Neighborhood revitalization rebate	(5,417)	(5,650)	(6,295)	645
Total receipts	<u>160,348</u>	<u>163,058</u>	<u>\$ 163,224</u>	<u>\$ (166)</u>
Expenditures:				
Culture and recreation	-	66	\$ -	\$ (66)
Transfer to related municipal entity	<u>157,484</u>	<u>167,000</u>	<u>172,650</u>	<u>5,650</u>
Total expenditures	<u>157,484</u>	<u>167,066</u>	<u>\$ 172,650</u>	<u>\$ 5,584</u>
Receipts over (under) expenditures	2,864	(4,008)		
Unencumbered cash, beginning of year	<u>11,879</u>	<u>14,743</u>	<u>\$ 9,426</u>	<u>\$ 5,317</u>
Unencumbered cash, end of year	<u>\$ 14,743</u>	<u>\$ 10,735</u>		

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

SPECIAL PARK AND RECREATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Shared receipts:				
Local alcohol liquor fund	\$ -	\$ 1,344	\$ -	\$ 1,344
Expenditures	-	-	\$ -	\$ -
Receipts over (under) expenditures	-	1,344		
Unencumbered cash, beginning of year	-	-	\$ -	\$ -
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 1,344</u>		

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

SPECIAL HIGHWAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Shared receipts:				
State of Kansas - gas tax	\$ 59,765	\$ 60,008	\$ 59,660	\$ 348
Interest on idle funds	-	783	-	783
Total receipts	<u>59,765</u>	<u>60,791</u>	<u>\$ 59,660</u>	<u>\$ 1,131</u>
Expenditures:				
Public works:				
Contractual services	-	-	\$ 100,000	\$ 100,000
Commodities	28,828	81,371	53,000	(28,371)
Capital outlay	-	-	10,000	10,000
Debt service:				
Principal	8,224	8,526	8,502	(24)
Interest and commissions	2,456	6,758	4,615	(2,143)
Total expenditures	<u>39,508</u>	<u>96,655</u>	<u>\$ 176,117</u>	<u>\$ 79,462</u>
Receipts over (under) expenditures	20,257	(35,864)		
Unencumbered cash, beginning of year	<u>100,390</u>	<u>120,647</u>	<u>\$ 117,194</u>	<u>\$ 3,453</u>
Unencumbered cash, end of year	<u>\$ 120,647</u>	<u>\$ 84,783</u>	<u>\$ 737</u>	<u>\$ 84,046</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

TRANSIENT GUEST TAX

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Shared receipts:				
Transient guest tax	\$ 9,204	\$ 6,820	\$ 10,000	\$ (3,180)
Interest on idle funds	-	215	-	215
Total receipts	<u>9,204</u>	<u>7,035</u>	<u>\$ 10,000</u>	<u>\$ (2,965)</u>
Expenditures:				
Community services:				
Contractual services	-	-	\$ 15,000	\$ 15,000
Commodities	-	-	15,000	15,000
Capital outlay	-	-	13,000	13,000
Total expenditures	<u>-</u>	<u>-</u>	<u>\$ 43,000</u>	<u>\$ 43,000</u>
Receipts over (under) expenditures	9,204	7,035		
Unencumbered cash, beginning of year	<u>23,506</u>	<u>32,710</u>	<u>\$ 33,506</u>	<u>\$ (796)</u>
Unencumbered cash, end of year	<u>\$ 32,710</u>	<u>\$ 39,745</u>	<u>\$ 506</u>	<u>\$ 39,239</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

PBC SALES TAX FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Shared receipts:				
Sales tax	\$ 317,135	\$ 300,634	\$ 275,000	\$ 25,634
Interest on idle funds	-	2,276	-	2,276
Total receipts	<u>317,135</u>	<u>302,910</u>	<u>\$ 275,000</u>	<u>\$ 27,910</u>
Expenditures:				
Culture and recreation:				
Capital outlay	36,639	-	\$ 315,000	\$ 315,000
Debt service:				
Principal	180,000	185,000	185,000	-
Interest	42,124	38,065	38,065	-
Commissions	-	-	1,000	1,000
Total expenditures	<u>258,763</u>	<u>223,065</u>	<u>\$ 539,065</u>	<u>\$ 316,000</u>
Receipts over (under) expenditures	58,372	79,845		
Unencumbered cash, beginning of year	<u>212,134</u>	<u>270,506</u>	<u>\$ 265,009</u>	<u>\$ 5,497</u>
Unencumbered cash, end of year	<u>\$ 270,506</u>	<u>\$ 350,351</u>	<u>\$ 944</u>	<u>\$ 349,407</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2018

	<u>Special park donation</u>	<u>Recreation committee</u>
Receipts:		
Interest on idle funds	\$ -	\$ 142
State aid	-	-
Grant proceeds	-	-
Miscellaneous	-	-
Transfers	-	-
	<u>-</u>	<u>-</u>
Total receipts	<u>-</u>	<u>142</u>
Expenditures:		
Commodities	-	-
Capital outlay	3,990	-
	<u>3,990</u>	<u>-</u>
Total expenditures	<u>3,990</u>	<u>-</u>
Receipts over (under) expenditures	(3,990)	142
Unencumbered cash, beginning of year	<u>9,217</u>	<u>25,297</u>
Unencumbered cash, end of year	<u>\$ 5,227</u>	<u>\$ 25,439</u>

See Independent Auditor's Report.

<u>Community foundation</u>	<u>Equipment reserve</u>	<u>Capital improvement</u>	<u>Total</u>
\$ -	\$ 2,556	\$ 1,702	\$ 4,400
-	-	18,226	18,226
750	-	-	750
-	4,500	-	4,500
-	200,000	300,000	500,000
<u>750</u>	<u>207,056</u>	<u>319,928</u>	<u>527,876</u>
610	-	-	610
-	147,451	303,500	454,941
<u>610</u>	<u>147,451</u>	<u>303,500</u>	<u>455,551</u>
140	59,605	16,428	72,325
-	475,719	487,081	997,314
<u>\$ 140</u>	<u>\$ 535,324</u>	<u>\$ 503,509</u>	<u>\$ 1,069,639</u>

CITY OF CIMARRON, KANSAS

BOND AND INTEREST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 39,312	\$ 55,308	\$ 54,970	\$ 338
Delinquent tax	1,217	372	-	372
Vehicle tax	11,285	8,731	9,077	(346)
Special assessments	191,641	188,561	120,000	68,561
Interest on idle funds	-	858	-	858
Transfers:				
Sewer enterprise	-	-	18,640	(18,640)
Water enterprise	105,674	107,128	107,128	-
Neighborhood revitalization rebate	(1,582)	(2,245)	(2,501)	256
Total receipts	<u>347,547</u>	<u>358,713</u>	<u>\$ 307,314</u>	<u>\$ 51,399</u>
Expenditures:				
Debt service:				
Principal	290,000	300,000	\$ 300,000	\$ -
Interest and commissions	49,117	47,753	47,753	-
Cash basis reserve	-	-	70,000	70,000
Total expenditures	<u>339,117</u>	<u>347,753</u>	<u>\$ 417,753</u>	<u>\$ 70,000</u>
Receipts over (under) expenditures	8,430	10,960		
Unencumbered cash, beginning of year	<u>127,162</u>	<u>135,592</u>	<u>\$ 110,439</u>	<u>\$ 25,153</u>
Unencumbered cash, end of year	<u>\$ 135,592</u>	<u>\$ 146,552</u>		

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

PEARL LUTHER ENDOWMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>
Receipts:		
Interest on idle funds	\$ 120	\$ 233
Expenditures	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	120	233
Unencumbered cash, beginning of year	<u>21,223</u>	<u>21,343</u>
Unencumbered cash, end of year	<u><u>\$ 21,343</u></u>	<u><u>\$ 21,576</u></u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

LIGHT ENTERPRISE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Sales	\$ 1,560,425	\$ 1,583,417	\$ 1,950,000	\$ (366,583)
Interest on idle funds	981	9,980	400	9,580
Total receipts	<u>1,561,406</u>	<u>1,593,397</u>	<u>\$ 1,950,400</u>	<u>\$ (357,003)</u>
Expenditures:				
Public works:				
Personal services	356,554	341,334	\$ 400,000	\$ 58,666
Contractual services	136,894	126,824	200,000	73,176
Commodities	933,161	926,616	1,500,000	573,384
Capital outlay	-	467	-	(467)
Reimbursed expenditures	-	482	-	(482)
Transfers:				
Capital improvement	75,000	-	100,000	100,000
Equipment reserve	-	175,000	100,000	(75,000)
Total expenditures	<u>1,501,609</u>	<u>1,570,723</u>	<u>\$ 2,300,000</u>	<u>\$ 729,277</u>
Receipts over (under) expenditures	59,797	22,674		
Unencumbered cash, beginning of year	<u>549,204</u>	<u>609,001</u>	<u>\$ 349,604</u>	<u>\$ 259,397</u>
Unencumbered cash, end of year	<u>\$ 609,001</u>	<u>\$ 631,675</u>	<u>\$ 4</u>	<u>\$ 631,671</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

WATER ENTERPRISE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Sales	\$ 437,491	\$ 473,875	\$ 460,000	\$ 13,875
Interest on idle funds	757	8,872	-	8,872
Total receipts	<u>438,248</u>	<u>482,747</u>	<u>\$ 460,000</u>	<u>\$ 22,747</u>
Expenditures:				
Public works:				
Personal services	77,105	74,046	\$ 180,000	\$ 105,954
Contractual services	60,345	64,235	100,000	35,765
Commodities	48,386	67,370	100,000	32,630
Capital outlay	480	467	50,000	49,533
Transfers:				
Bond and interest	105,674	107,128	107,128	-
Equipment reserve	125,000	25,000	75,000	50,000
Capital improvement	-	125,000	75,000	(50,000)
Total expenditures	<u>416,990</u>	<u>463,246</u>	<u>\$ 687,128</u>	<u>\$ 223,882</u>
Receipts over (under) expenditures	21,258	19,501		
Unencumbered cash, beginning of year	<u>513,028</u>	<u>534,286</u>	<u>\$ 228,838</u>	<u>\$ 305,448</u>
Unencumbered cash, end of year	<u>\$ 534,286</u>	<u>\$ 553,787</u>	<u>\$ 1,710</u>	<u>\$ 552,077</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

TRASH ENTERPRISE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Sales	\$ 307,524	\$ 313,420	\$ 320,000	\$ (6,580)
Interest on idle funds	-	1,406	-	1,406
Total receipts	<u>307,524</u>	<u>314,826</u>	<u>\$ 320,000</u>	<u>\$ (5,174)</u>
Expenditures:				
Public works:				
Contractual services	281,438	264,540	\$ 260,000	\$ (4,540)
Commodities	90	510	20,000	19,490
Transfers:				
Equipment reserve	-	-	100,000	100,000
Capital improvement	-	-	50,000	50,000
Total expenditures	<u>281,528</u>	<u>265,050</u>	<u>\$ 430,000</u>	<u>\$ 164,950</u>
Receipts over (under) expenditures	25,996	49,776		
Unencumbered cash, beginning of year	<u>144,838</u>	<u>170,834</u>	<u>\$ 110,038</u>	<u>\$ 60,796</u>
Unencumbered cash, end of year	<u>\$ 170,834</u>	<u>\$ 220,610</u>	<u>\$ 38</u>	<u>\$ 220,572</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

SEWER ENTERPRISE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Sales	\$ 213,301	\$ 233,936	\$ 220,000	\$ 13,936
Interest on idle funds	-	1,968	-	1,968
Total receipts	<u>213,301</u>	<u>235,904</u>	<u>\$ 220,000</u>	<u>\$ 15,904</u>
Expenditures:				
Public works:				
Personal services	54,482	72,195	\$ 75,000	\$ 2,805
Contractual services	15,684	35,381	55,000	19,619
Commodities	18,115	23,375	25,000	1,625
Capital outlay	-	10,974	105,000	94,026
Transfers:				
General	-	-	20,000	20,000
Sewer plant replacement	63,600	63,600	100,000	36,400
Bond and interest	-	-	18,640	18,640
Total expenditures	<u>151,881</u>	<u>205,525</u>	<u>\$ 398,640</u>	<u>\$ 193,115</u>
Receipts over (under) expenditures	61,420	30,379		
Unencumbered cash, beginning of year	<u>211,237</u>	<u>272,657</u>	<u>\$ 179,357</u>	<u>\$ 93,300</u>
Unencumbered cash, end of year	<u>\$ 272,657</u>	<u>\$ 303,036</u>	<u>\$ 717</u>	<u>\$ 302,319</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

SEWER PLANT REPLACEMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>
Receipts:		
Transfers:		
Sewer enterprise	\$ 63,600	\$ 63,600
Expenditures:		
Debt service:		
Principal	30,919	-
Interest and commissions	550	-
Total expenditures	<u>31,469</u>	<u>-</u>
Receipts over (under) expenditures	32,131	63,600
Unencumbered cash, beginning of year	<u>42,400</u>	<u>74,531</u>
Unencumbered cash, end of year	<u>\$ 74,531</u>	<u>\$ 138,131</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

CIMARRON CITY LIBRARY
(A RELATED MUNICIPAL ENTITY)SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2018

	General	Special purpose State aid	Total
Receipts:			
Transfers from City of Cimarron	\$ 172,650	\$ -	\$ 172,650
Gray County Library Board	31,439	-	31,439
State of Kansas	313	1,131	1,444
Grants	11,303	-	11,303
Fines, photocopies and other charges	1,713	-	1,713
Donations and memorials	7,539	-	7,539
Interest	341	-	341
Rent	575	-	575
Program income	10,442	-	10,442
Other	4,583	-	4,583
	<u>240,898</u>	<u>1,131</u>	<u>242,029</u>
Total receipts			
Expenditures:			
Salaries and payroll taxes	143,124	-	143,124
Books and periodicals	16,014	-	16,014
Supplies	4,691	-	4,691
Audios and videos	4,702	635	5,337
Computer software	1,552	-	1,552
Utilities	7,726	-	7,726
Repairs and maintenance	7,083	-	7,083
Dues and contracts	12,067	-	12,067
Contractual services	6,609	-	6,609
Capital outlay	5,925	-	5,925
Grant/program expense	19,894	-	19,894
Miscellaneous	367	-	367
	<u>229,754</u>	<u>635</u>	<u>230,389</u>
Total expenditures			
Receipts over (under) expenditures	11,144	496	11,640
Unencumbered cash, beginning of year	113,081	2	113,083
	<u>\$ 124,225</u>	<u>\$ 498</u>	<u>\$ 124,723</u>
Unencumbered cash, end of year			

See Independent Auditor's Report.